

**VERNON CITY COMMISSION
REGULAR MEETING
AUGUST 23, 2016**

Mayor Joe Rogers called the Regular Meeting of the Vernon City Commission to order at 6:30 p.m. in City Hall, and a quorum was declared present.

Present: Mayor Joe Rogers

Commissioners: Guy Spears, Ruben Hinojosa, Travis Taylor and Britt Ferguson.

Staff Present: City Manager Joseph Jarosek, City Prosecutor Jonathan Whitsitt, Police Chief Tom Wilson, Public Works Director Darell Kennon, Finance Director Anne Garmon, Fire Chief J.J. Oznick, Community Development Director Monica Wilkinson, Tourism and Main Street Director Brandy McIntyre, Municipal Judge Lori Adams and City Secretary Linda Byers.

Mayor Rogers led the group in the Invocation and the Pledge of Allegiance to the U.S. and Texas flags.

PUBLIC COMMENT

Molly Baldwin spoke concerning an incident at the July Commission Meeting with Commissioner Spears, and asked that the City Manager be allowed to do his job.

Reg Baldwin's comments criticized Commissioner Spears.

CONSENT AGENDA

Commissioner Taylor made the motion to approve the consent agenda Item B:

- Financial Investment Report, Vouchers, and Payroll & Benefit Expense.
July 1, 2016 – July 31, 2016.

Commissioner Hinojosa seconded the motion, which passed by unanimous vote.

Item A of the Consent Agenda was pulled for separate consideration.

- Minutes: Attached are Minutes of the Regular City Commission Meeting held on Tuesday, July 26, 2016; Minutes of the Special City Commission Meeting held on Tuesday, August 2, 2016; and Minutes of the Finance Meeting held on Tuesday, July 26, 2016.

Digital Recording on file

Commissioner Hinojosa made the motion to approve the minutes with the correction to the minutes of the August 2, 2016 Special Meeting to remove the reference in the Budget Workshop "Replace 3 employees if County Agrees on Funding".

Commissioner Ferguson seconded the motion, which passed by unanimous vote.

PRESENTATION BY CLEARRESULT

Greg Blair with American Electric Power (AEP) Texas introduced Gary Throckmorton, AEP Manager of Energy Efficiency Program and Chris Pasche with ClearResult. Mr. Pasche explained the CitySmart program and the energy efficiency opportunity assessments for each city building. The opportunity overview reported net costs of \$217,736 and annual yearly utility savings of \$35,160 with a payback period of 6.19 years.

ORDINANCE NO. 1692

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF VERNON, TEXAS, APPROVING THE SALE OF TAX PROPERTIES LOCATED AT 1917 BEAVER STREET, 1210 BOWIE STREET, 2018 BOWIE STREET, 2925 BOWIE STREET, 1021 HOUSTON STREET, 1429 HOUSTON STREET, 1904 LEXINGTON STREET, 3011 LUNA STREET, 2610 MAIDEN STREET, 2727 MESQUITE STREET, 809 PARADISE STREET, 2401 PEARL STREET, 1713 TURNER STREET, 1717 TURNER STREET, 1507 VIOLET STREET AND 3219 WICHITA STREET; APPROVING THE SALES PRICE, AND REQUIRING THAT DELIVERY OF THE PROPERTY BE EXECUTED TO THE PERSON NAMED BELOW.

Community Development Director Wilkinson explained that since first reading of the ordinance Jose Hernandez had withdrawn his bid for 2330 Eastland and April Maldonado failed to submit payment for the three properties that she had bid on. These four properties were not included in second reading of the ordinance.

Commissioner Hinojosa made the motion to approve second reading of Ordinance No. 1692 - Approving Sale of 1917 Beaver St., 1210 Bowie St., 2018 Bowie St., 2925 Bowie St., 1021 Houston St., 1429 Houston St., 1904 Lexington St., 3011 Luna St., 2610 Maiden St., 2727 Mesquite St., 809 Paradise St., 2401 Pearl St., 1713 Turner St., 1717 Turner St. 1507 Violet St., and 3219 Wichita St.

Commissioner Spears seconded the motion, which passed by unanimous vote.

RESOLUTION NO. 998

RESOLUTION OF CITY OF VERNON AUTHORIZING THE FILING OF A GRANT APPLICATION WITH THE NORTEX REGIONAL PLANNING COMMISSION (RPC) FOR A REGIONAL SOLID WASTE GRANTS PROGRAM GRANT; AUTHORIZING THE CITY MANAGER TO ACT ON BEHALF OF CITY OF VERNON IN ALL MATTERS RELATED TO THE APPLICATION; AND PLEDGING THAT IF A GRANT IS RECEIVED THE CITY OF VERNON WILL COMPLY WITH THE GRANT REQUIREMENTS OF THE NORTEX REGIONAL PLANNING COMMISSION , THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY AND THE STATE OF TEXAS.

Community Development Director Wilkinson explained that the city applied for \$15,000 and was awarded \$8,438 that can be used for solid waste disposal for city owned property. This will be used for demolition of condemned tax properties.

Commissioner Taylor made the motion to approve Resolution No. 998 authorizing application for Nortex Regional Planning Commission Solid Waste Grant.

Commissioner Hinojosa seconded the motion, which passed by unanimous vote.

PLACEMENT OF STOP SIGN

City Manager Jarosek explained that the problem at this intersection was low visibility due to an offset intersection.

Commissioner Spears made the motion to approve placement of stop sign at the intersection of Wichita Street and Sherman Street.

Commissioner Ferguson seconded the motion, which passed by unanimous vote.

**FINANCING METHOD FOR THE WATER TRANSMISSION
AND WASTEWATER TREATMENT PROJECTS**

City Manager Jarosek explained that there are two methods for financing the water transmission line and wastewater treatment projects. General Obligation Bonds require voter approval, but if the election fails, the project could not proceed for three years. Certificates of Obligation do not require voter approval, but voters can call an election with a petition of 5% of the voters.

The Texas Water Development Board (TWDB) has money available and staff will proceed with the process. If the commission decides, they can stop the process without any penalty. TWDB would finance the projects using Certificates of Obligation with the use of a financial advisor.

Digital Recording on file

Following lengthy discussion of the two financing options, Commissioner Ferguson made the motion to table the decision until the September 6 Special Meeting. Motion dies for lack of a second.

Commissioner Spears made the motion to submit the financing for a bond election. Motion dies for lack of a second.

Commissioner Hinojosa made the motion to approve Certificate of Obligations as the method of financing for water transmission and wastewater treatment projects.

Commissioner Taylor seconded the motion. Motion failed with two votes' aye and three vote's nay, with Commissioner Spears, Commissioner Ferguson and Mayor Rogers voting against the measure.

ATMOS FRANCHISE AGREEMENT

Randy West, Public Affairs Manager for Atmos Energy noted that the proposed franchise agreement with Atmos Energy would be for a term of twenty years compared to a ten year term in the current agreement with the contract also containing the following features:

- Clarification of relocation process and when company pays for relocation.
- Preservation of rights after abandonment of right-of-way.
- Removal of language addressing items that are governed by tariff.
- Clarified definition of gross revenues
- Favored nation language is now at city's option.
- Insurance and indemnity were added.

Mr. West also noted that Atmos Energy's capital injection would proceed as they are now.

Following discussion, the commission asked that Atmos consider a ten year agreement, and Attorney Whitsitt noted that this is a non-exclusive franchise agreement.

First reading of the franchise ordinance will be at the September regular city commission meeting.

STRUCTURE OF ALL LIVES MATTER COMMITTEE

Mayor Rogers moved this agenda item from Item No. 15 and allowed any audience member to participate in the discussion.

Norris Thomas noted that a committee proposal was presented at the last meeting, also noting that information flow was the key. A discussion followed at to the term and practice of the committee.

Digital Recording on file

Commissioner Hinojosa made the motion to approve structure of a committee for community relations in reference to All Lives Matter.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

AMENDING THE FAÇADE IMPROVEMENT MATCHING GRANT PROGRAM

Tourism and Main Street Director McIntyre explained that the Main Street Board changed the name of the program and amended the guidelines so that it will be more available for business owners, noting that façade improvement is helpful but if the building owner cannot use the inside of the building, it is not economically feasible.

Following discussion, Commissioner Spears made the motion to approve amending the name of the Façade Improvement Matching Grant Program to Vernon Main Street Historic Rehabilitation Grant Program and amend the guidelines and application of this program.

Commissioner Hinojosa seconded the motion, which passed by unanimous vote.

AWARD OF HISTORIC REHABILITATION PROGRAM GRANT

Tourism and Main Street Director McIntyre explained that Jamie Chapman has applied for this grant to restore floors and repair floor joists and make repairs to the front of 1601 and 1605 Main Street. Grant funds will come from fund balance.

Commissioner Ferguson made the motion to approve award of a Historic Rehabilitation Program Grant to Jamie Chapman in an amount not to exceed \$10,000.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

APPLICATION FOR AN ANICE READ GRANT

Tourism and Main Street Director McIntyre explained that the Vernon Main Street program would like to apply for this grant to assist with the completion of Cattleman's Park on Main Street.

Commissioner Hinojosa made the motion to approve authorizing application for an Anice Read Grant in an amount not to exceed \$5,000.

Commissioner Spears seconded the motion, which passed by unanimous vote.

BUSINESS DEVELOPMENT BOARD APPOINTMENTS

Mayor Rogers noted that Jim Gunn chose not to be reappointed. Doug Jeffrey IV and Lisa Herber have been nominated for reappointment by Mayor Rogers who also nominated Terry Spears to serve on the BDC Board. There were no other nominations.

Digital Recording on file

Guy Spears made the motion to reappoint Doug Jeffrey IV and Lisa Herber and to appoint Terry Spears to the Business Development Board.

Commissioner Ferguson seconded the motion, which passed by unanimous vote.

HOUSING AUTHORITY BOARD APPOINTMENTS

City Secretary Byers noted that applications for the Housing Authority Board were submitted by Commissioner Taylor for reappointment of James Foerster and Linda Kennedy. George Pattison chose not to be reappointed and a replacement for him on the Housing Authority Board has not been found as of this meeting.

Commissioner Ferguson made the motion to reappoint James Foerster and Linda Kennedy to the Housing Authority Board.

Commissioner Spears seconded the motion, which passed by unanimous vote.

WORK SESSION - BUDGET FOR FY2016-2017

Commissioner Hinojosa initiated discussion of including directors in a cost of living raise. Commissioner Taylor agreed. Commissioner Spears, Commissioner Ferguson and Mayor Rogers did not agree. There will be no change in salary for directors.

Mayor Rogers questioned Fund 92 – Employee Benefit Trust revenue and expenditures of \$1,000,000. Staff noted that this amount included the employee deductions as well as the city contribution for employees.

City Manager Jarosek noted that line 1798 on page 60 in the amount of \$78,000 was not carried forward into Scenario D, and will be changed for the final approval.

EXECUTIVE SESSION – DELIBERATION CONCERNING REAL PROPERTY - WATER

Commissioner Spears made the motion to enter Executive Session – Government Code, Title 5, Chapter 551- Section 551.072 – Deliberation Concerning Real Property - Water at 8:00 pm.

Commissioner Hinojosa seconded the motion, which passed by unanimous vote.

RESUME REGULAR SESSION

Commissioner Hinojosa made the motion to resume regular session at 8:21 pm.

Commissioner Spears seconded the motion, which passed by unanimous vote.

ACTION FOLLOWING EXECUTIVE SESSION

Digital Recording on file

There was no action following executive session.

EXECUTIVE SESSION – DELIBERATION CONCERNING REAL PROPERTY – SALE OF LAND

Commissioner Hinojosa made the motion to enter executive session - Government Code, Title 5, Chapter 551- Section 551.072 – Deliberation Concerning Real Property – Sale of Land at 8:23 pm.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

RESUME REGULAR SESSION

Commissioner Hinojosa made the motion to resume regular session at 8:39 pm.

Commissioner Taylor seconded the motion, which passed by unanimous vote.

ACTION FOLLOWING EXECUTIVE SESSION

There was no action following executive session.

ADJOURN

Commissioner Spears made the motion to adjourn the meeting at 8:40 p.m.

Commissioner Hinojosa seconded the motion which passed by unanimous vote.



Joe Rogers
Mayor

ATTEST:



Linda Byers
City Secretary